

Amendment No. 1 to SB2536

Johnson
Signature of Sponsor

AMEND Senate Bill No. 2536

House Bill No. 2508*

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 47-18-2107(a), is amended by deleting subdivision (3) and adding the following new appropriately designated subdivisions:

() "Determination of a breach of system security" means the point in time at which an information holder has sufficient information to conclude that a breach of system security occurred;

() "Information holder" means any person that owns, licenses, or maintains computerized personal information of any resident of this state;

() "Person" means a natural person, individual, governmental agency, partnership, corporation, trust, estate, incorporated or unincorporated association, and any other legal or commercial entity however organized;

SECTION 2. Tennessee Code Annotated, Section 47-18-2107(a)(4)(A), is amended by deleting subdivision (ii) and substituting the following:

(ii) Official state-issued or government-issued identification number used to establish identity, including a state-issued driver license or taxpayer identification number;

SECTION 3. Tennessee Code Annotated, Section 47-18-2107(a)(4)(A), is amended by adding the following subdivisions:

() Passport number;

() A username or email address, in combination with a password or security question and answer that would permit access to an online account;

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() Medical information, including mental and physical medical history, mental and physical treatment by a healthcare professional, diagnosis of mental or physical condition by a healthcare professional, or deoxyribonucleic acid (DNA) profile;

() Health insurance information, including health insurance policy numbers, subscriber identification numbers, or any other unique identifiers used by a health insurer to identify an individual, or any medical information in an individual's health insurance application and claims history, including any appeals records;

() Unique biometric data generated from measurements or analysis of human body characteristics for authentication purposes;

SECTION 4. Tennessee Code Annotated, Section 47-18-2107(b), is amended by deleting the subsection and substituting the following:

(b) Following determination of a breach of system security or following notification of a breach of system security by a third-party information holder, and except as provided in subsection (e), the information holder that owns the personal information at issue shall provide notice of the breach of system security within forty-five (45) days to any resident of this state whose personal information was, or is reasonably believed to have been, acquired by an unauthorized person. When an information holder required by this section to notify residents of this state of a breach of system security could not, through reasonable diligence, determine within forty-five (45) days that the personal information of certain residents of this state was included in a breach, the information holder must provide the notice required by this section to the residents as soon as is

practicable after it is determined that the personal information of those residents was included in a breach of system security, unless the information holder provides or has provided substitute notice in accordance with this section.

SECTION 5. Tennessee Code Annotated, Section 47-18-2107(c), is amended by deleting the subsection and substituting the following:

(c) Any information holder that maintains computerized data that includes personal information that the information holder does not own shall notify and cooperate with the owner or licensee of that information as expeditiously as practicable, but no later than ten (10) days following a determination of a breach of system security that affected personal information owned or licensed by another. For the purposes of this subsection (c), "cooperation" includes, but is not limited to, informing the owner or licensee of:

(1) The breach, including giving notice of the date or approximate date of the breach and the nature of the breach; and

(2) Any steps the data collector has taken or plans to take relating to the breach.

SECTION 6. Tennessee Code Annotated, Section 47-18-2107, is amended by adding the following as a new subsection:

An information holder required to issue a notice disclosing a breach of system security, pursuant to this section, to more than five hundred (500) residents of this state shall notify the attorney general of the breach no later than thirty (30) days from determination of a breach of system security, the date on which the first resident notice is sent pursuant to subsection (b), or the date on which notice is given to any other person, whichever is earlier. In addition, the information holder shall submit to the attorney general a copy of the breach notification concurrent with notifying the residents.

SECTION 7. Tennessee Code Annotated, Section 47-18-2107, is amended by adding the following new subsections (b) and (f) and redesignating the existing subsections accordingly:

(b) All information holders shall implement and maintain reasonable procedures and practices, commensurate with industry standards and with the size and complexity of the information holders, to prevent the unauthorized acquisition, use, modification, disclosure, or destruction of personal information collected or maintained in the regular course of business, including appropriate corrective action.

(f) In the case of a breach of system security involving personal information that includes login credentials for an email account, the information holder shall not comply with this section solely by providing the breach notification to the email account, but must also use an additional notice method as provided for in subdivisions (g)(1) and (g)(3).

SECTION 8. This act shall take effect upon becoming a law, the public welfare requiring it.